

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion
into the operations, practices and conduct of
Starving Students, Inc. (Cal T-116,476), and Ethan
Margalith,

Respondents.

Investigation 02-02-005
(Filed February 7, 2002)

SCOPING MEMO AND RULING OF ASSIGNED COMMISSIONER

Summary

Pursuant to Rules 6(c)(1) and 6.3 of the Commission's Rules of Practice and Procedure, this Ruling sets forth the procedural schedule, assigns a presiding officer, and addresses the scope of the proceeding after the April 19, 2002 prehearing conference (PHC). Parties may file post-PHC statements on April 26, 2002.

Background

The Commission filed this Order Instituting Investigation (OII) to determine whether Starving Students, Inc. (Starving Students) and its major shareholder, Ethan Margalith, have 1) knowingly and willfully filed false reports that understate revenues; and 2) violated Commission rules and regulations by operating during periods of suspension; improperly denying claims; losing, stealing, or damaging goods; engaging in unprofessional conduct; and failing to comply with provisions of Maximum Rate Tariff 4 that govern carriers' interactions with consumers in providing services.

Scope of the Proceeding

The scope of this investigation is as established in Ordering Paragraphs 1 and 6 of this OII. Ordering Paragraph 4 of the OII directs Consumer Services Division (CSD) to continue to investigate the operations of Respondents. At the PHC, CSD stated it intends to present an additional declaration in Phase II hearings (consumer service violations).

Category of Proceeding and Need for Hearing

The Commission preliminarily categorized this matter as an adjudicatory proceeding expected to go to hearing. The OII also advised that this categorization is appealable under the procedures in Rule 6.4. No party has filed a timely appeal. This ruling confirms this case as an adjudication scheduled for hearing. The Commission will hold the scheduled Phase I hearing, listed below, in its San Francisco office, 505 Van Ness Avenue, California, starting at 10:00 a.m. on May 1, 2002.

Schedule

The schedule for this proceeding is as follows:

April 26, 2002	Respondents serve Phase I (underpayment of regulatory fees) testimony
May 1, 2002	Evidentiary hearing (Phase I)
....	Concurrent briefs filed, per schedule to be set by later ruling
....	Presiding officer's decision filed within 60 days of submission
....	Presiding officer's decision becomes effective (unless appeal filed within 30 days per Pub. Util. Code § 1701.2(a) and Rule 8.2)
June 24, 2002 (Tentative)	CSD serves Phase II testimony
August 2, 2002 (Tentative)	Respondents serve declarations and/or testimony for Phase I

August 16, 2002	CSD serves Phase II rebuttal testimony
September 16-19; 23-26, 2002	Evidentiary hearing (Phase II)
....	Concurrent briefs filed, per schedule to be set by later ruling
....	Presiding officer's decision filed within 60 days of submission
....	Presiding officer's decision becomes effective (unless appeal filed within 30 days per Pub. Util. Code § 1701.2(a) and Rule 8.2)

Designation of Presiding Officer

Administrative Law Judge Janice Grau will be the presiding officer.

Ex Parte Rules

Ex parte communications are prohibited in adjudicatory proceedings under Pub. Util. Code § 1701.2(b) and Rule 7 of the Commission's Rules of Practice and Procedure.

IT IS RULED that:

1. The schedule and scope of the proceeding are as set forth herein.
2. The presiding officer will be Administrative Law Judge Grau.
3. This ruling confirms that this proceeding is an adjudication scheduled for hearing.
4. Ex parte communications are prohibited under Pub. Util. Code § 1701.2(b) and Rule 7 of the Rules of Practice and Procedure.

Dated April 23, 2002, at San Francisco, California.

/s/ GEOFFREY F. BROWN

Geoffrey F. Brown
Assigned Commissioner

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Scoping Memo and Ruling of Assigned Commissioner on all parties of record in this proceeding or their attorneys of record.

Dated April 23, 2002, at San Francisco, California.

/s/ ERLINDA PULMANO
Erlinda Pulmano

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.